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HIGH-LEVEL COMMITTEE OF
MINISTERS AND OFFICIALS
Third meeting
Buenos Aires, 10 November 1998

REPORT OF THE HIGH-LEVEL COMMITTEE OF MINISTERS AND OFFICIALS ON THE WORK OF ITS THIRD MEETING

INTRODUCTION

1. The third meeting of the High-Level Committee of Ministers and Officials, established by the Governing Council of the United Nations Environment Programme (UNEP) in its decision 19/32 of 4 April 1997, was held in Buenos Aires on 10 November 1998 at the Secretariat for Natural Resources and Sustainable Development.

I. OPENING OF THE MEETING

2. The meeting was opened at 10.15 a.m. on Tuesday 10 November 1998 by the Chair of the High-level Committee of Ministers and Officials, Mr. Simon Khaya Moyo, who apologized on behalf of Ms. Maria Julia Alsogaray, Minister of Natural Resources and Sustainable Development of Argentina and Vice-Chair of the Committee, for her absence from the meeting as she had been summoned to an urgent meeting by the President of her country. The Chair expressed his appreciation at being at the meeting and thanked the Government of Argentina and, in particular, Ms. Alsogaray for hosting it.

3. In his opening statement, the Chair congratulated the Executive Director on his efforts in streamlining, and elevating the stature of UNEP. He thanked the Executive Director for the excellent work he had done in following up the conclusions of the second meeting of the Committee, as well as in preparing the documentation for the current meeting.

4. The Chair said that the current meeting was intended primarily to advise and provide guidance to the Executive Director on the various aspects of the agenda prior to the twentieth session of the Governing Council, to be held from 1 to 5 February 1999. The Committee should send out positive

signals with regard to the progress made by UNEP in its revitalization process and demonstrate its active support for the Executive Director in the implementation of the UNEP programme.

5. At the invitation of the Chair, Mr. Michael Zammit Cutajar, Executive Secretary of the Secretariat of the United Nations Framework Convention on Climate Change, made a brief statement, in which he expressed the hope that the fourth meeting of the Conference of the Parties to the Convention would lead to decisions assigning tasks to be undertaken with respect to such issues as the financial mechanism for the Convention, the question of compliance, the impacts of climate change, and the launching of a work process, with commitments by Governments to produce results. He wished the Committee success in its deliberations.

6. The full text of the statement by the Chair is contained in annex II to the present report.

II. ADOPTION OF THE AGENDA AND ORGANIZATION OF THE WORK OF THE MEETING

A. Attendance

7. The meeting was attended by the following 28 members of the Committee who had been confirmed as elected to the High-level Committee by the Governing Council at the 2nd meeting of its fifth special session, on 20 May 1998: 1/ Argentina, Australia, Austria, Bahamas, Burundi, China, Cuba, Czech Republic, Denmark, Egypt, India, Indonesia, Iran (Islamic Republic of), Italy, Kenya, Mexico, Netherlands, Nigeria, Poland, Republic of Korea, Russian Federation, Switzerland, Thailand, Uganda, United States of America, United Kingdom of Great Britain and Northern Ireland, Zambia, Zimbabwe.

8. The following States Members of the United Nations or members of a specialized agency or of the International Atomic Energy Agency were represented by observers: Armenia, Benin, Brazil, Canada, Colombia, Cyprus, Djibouti, Ecuador, Finland, Germany, Ghana, Greece, Guatemala, Iceland, Japan, Kuwait, Lithuania, Monaco, Morocco, Myanmar, Nauru, New Zealand, Norway, Oman, Pakistan, Portugal, Saudi Arabia, Slovenia, South Africa, Sweden, Syrian Arab Republic, Tunisia, Turkey, Uganda.

9. The Chairman of the Committee of Permanent Representatives to the United Nations Environment Programme, Dr. Alex Kamugisha, also attended the meeting, in accordance with paragraph 2 of Governing Council decision 19/32.

10. The European Community was also represented.

11. The following United Nations specialized agencies were represented: Food and Agriculture Organization of the United Nations (FAO), International Maritime Organization (IMO), United Nations Educational, Scientific and Cultural Organization (UNESCO), World Meteorological Organization (WMO), World Trade Organization (WTO).

1/ See the report of the Governing Council on the work of its fifth special session, Official Records of the General Assembly, Fifty-third session, Supplement No. 25 (A/53/25), page 28.

12. The following other intergovernmental organizations were represented: Permanent Commission of the South Pacific (CPPS), Organization of American States (OAS).

13. The following non-governmental organizations were represented: Green Cross International, International Council of Environmental Law (ICEL), World Association of Girl Guides and Girl Scouts (WAGGGS).

14. The full list of participants is contained in document UNEP/HLC/3/INF/6.

B. Officers

15. The following representatives continued to serve in their respective capacities on the Bureau of the Committee:

Chair:	Mr. Simon Khaya Moyo (Zimbabwe)
Vice-Chairs:	Ms. Maria Julia Alsogaray (Argentina) Mr. Wang Zhijia (China) Mr. Jan Szyszko (Poland)
Rapporteur:	Mr. Philippe Roch (Switzerland)

C. Adoption of the agenda

16. The Committee adopted the following agenda, on the basis of the provisional agenda that had been circulated under the symbol UNEP/HLC/3/1, with the items reordered on the proposal of the Chair:

1. Opening of the meeting.
2. Adoption of the agenda.
3. Implementation of the conclusions of the second meeting of the High-Level Committee of Ministers and Officials.
4. Reform of the United Nations Environment Programme.
5. Financing sustainable development: the role of the United Nations Environment Programme in the financial mechanism.
6. Contribution of the United Nations Environment Programme to the seventh session of the Commission on Sustainable Development on, inter alia, oceans, small island development States, tourism and consumption and production patterns.
7. Other matters
8. Closure of the meeting

D. Organization of work

17. At the first session of the meeting, the Committee decided that the meeting would be conducted in plenary session only.

E. Documentation

18. The documentation before the High-level Committee of Ministers and Officials at its third meeting is listed in annex IV below.

III. IMPLEMENTATION OF THE CONCLUSIONS OF THE SECOND MEETING OF THE HIGH-LEVEL COMMITTEE OF MINISTERS AND OFFICIALS

19. At the request of the Chair, Mr. Klaus Töpfer, Executive Director of UNEP, addressed the Committee. He first welcomed the participants and expressed his gratitude to the Government of Argentina and, in particular, Ms. Maria Julia Alsogaray for hosting the meeting. He also thanked the Governments of the United Kingdom and Switzerland for their contribution of $50,000 and $20,000, respectively, to the UNEP trust fund to support participation in meetings of the High-Level Committee, as well as the Government of Japan for its continued support to the International Environmental Technology Centre in Osaka.

20. In his statement, the Executive Director first outlined progress made by UNEP in each of its areas of concentration and then turned to the issue of UNEP reform.

21. On the question of support to Africa, the Executive Director stressed that such support was a priority and referred to the UNEP-sponsored high-level ministerial consultation held within the framework of the African Ministerial Conference on the Environment (AMCEN) from 19 to 23 October 1998. The consultation had been intended to provide support to African countries in the implementation of multilateral environmental agreements and enable them provide input to the fourth meeting of the Conference of the Parties to the United Nations Framework Convention on Climate Change, particularly with respect to the clean development mechanism under the Kyoto Protocol. He further referred to UNEP's support and coordination in convening the Pan-African Conference on Sustainable Integrated Coastal Management, held in Maputo in July and the joint activities of UNEP and the United Nations Centre for Human Settlements (UNCHS) (Habitat) in developing a project on managing water for African cities, which focused on water demand in cities and reduced the impact of urbanization on freshwater resources.

22. With regard to early warning and assessment, he referred to the disaster in Central America caused by Hurricane Mitch and indicated that UNEP was be prepared to support countries of the region deal with the crisis, in a similar fashion to the response it had made with respect to the forest fires in South-East Asia, where the activities had been funded through the Global Environment Facility (GEF).

23. Turning to coordination of environmental conventions and work on the development and implementation of environmental policy instruments, another priority area for UNEP, the Executive Director reported on a number of

substantial achievements for UNEP, including the conclusion of the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, the initiation of negotiations for an international legally binding instrument for implementing international action on certain persistent organic pollutants, the progress made in the development of a convention on the Caspian Sea, UNEP's collaboration with the World Health Organization (WHO) in the development of a protocol on water and health to the 1992 Convention on the Protection and Use of Transboundary Watercourses and International Lakes, the initiation of a study on innovative means and mechanisms for the avoidance and settlement of environmental disputes, and the financial institutions initiative to promote the integration of environmental considerations into all aspects of the financial sector's operations and services. Regarding economic instruments, he stated that UNEP had filled the position in the Intergovernmental Panel on Climate Change (IPCC) and would continue to be actively involved in work in that area.

24. In the area of water, the Executive Director referred to the series of activities UNEP has undertaken and stressed the need for a clear assessment in the area.

25. With respect to industry and technology, he informed the meeting about UNEP's support to the fifth International High-level Seminar on Cleaner Production, which had been held in the Republic of Korea in September. The meeting launched the International Declaration on Cleaner Production - signed by 13 ministers and 13 business corporations committing themselves to adopting a preventive strategy and environmental performance targets and reporting on their achievements.

26. Turning to the reform of UNEP, the Executive Director stated that the General Assembly would soon start discussing the report of the Task Force on Environment and Human Settlements, and he was looking forward to see the outcome of those discussions. The Executive Director presented the new organizational structure for the UNEP secretariat and the programme budget for the biennium 2000-2001. He said that the restructuring followed the guidance of the report of the Secretary-General on United Nations reform, the report of the United Nations Task Force on Environment and Human Settlements, the Nairobi Declaration on the Role and Mandate of UNEP, and the policy guidance of the fifth special session of the Governing Council. The structure should enable UNEP to be cost-effective and responsive to countries' needs.

27. Having indicated the need for UNEP to devote attention to the environmental impacts of privatization and the role of the private sector in promoting environmental objectives, the Executive Director emphasized the need to enhance regional cooperation and delivery by UNEP. UNEP was also considering enhancing its input and presence at the subregional level. He stressed the importance of promoting cooperation between the conventions and referred to the interlinkages report prepared by UNEP, the United States National Aeronautics and Space Administration and the World Bank that would be launched at the margins of the fourth meeting of the Conference of the Parties to the United Nations Framework Convention on Climate Change.

28. Finally, the Executive Director outlined the functions of the new administrative divisions covering the following areas that had resulted from the restructuring of UNEP: environmental assessment and early warning; environmental policy development; environmental policy implementation; technology, industry and economics, coordination of the conventions; regional cooperation and representation; and communications and public information.

29. The full text of the Executive Director's statement, as prepared in advance and distributed to participants in the meeting, is contained in annex III to the present report.

30. Following the statement of the Executive Director, several representatives congratulated him on his tremendous efforts in restructuring and streamlining the organization and in the implementation of priority areas identified by the Governing Council at its fifth special session.

31. One representative, expressing his appreciation for participating for the first time in the High-Level Committee of Ministers and Officials, congratulated UNEP on the efforts made by the organization in promoting the implementation of multilateral environmental agreements, as well as the for convening and sponsoring meetings seminars and workshops at the ministerial and expert levels. He emphasized the importance of the adequate implementation of GEF projects and the recommendations of the Commission on Sustainable Development.

32. One representative stated that, with respect to the regional agreement on transboundary air pollution in Asia, it was important to work closely with the Economic and Social Commission for Asia and the Pacific (ESCAP) and build on the experience of other United Nations bodies.

33. The conclusions adopted by the Committee under this item are contained in paragraphs 1-2 of annex I to the present report.

IV. REFORM OF THE UNITED NATIONS ENVIRONMENT PROGRAMME

34. All representatives who took the floor under this item highly commended the work of the Task Force on Environment and Human Settlements and expressed broad support for its conclusions. Several representatives also commended what had been achieved by UNEP to date and congratulated the Executive Director for his efforts. Several representatives also pledged their support in the implementation of the reform proposals.

35. A number of representatives supported the view that several recommendations of the Task Force had financial implications, thereby requiring careful consideration. Several representatives also welcomed the establishment of the Environmental Management Group, one of them noting that its terms of reference should be drafted carefully and reported to the Secretary-General. Support was also expressed for the recommendation regarding the strengthening of UNEP and its Governing Council, although the view was expressed that extending its membership would not necessarily be effective. Some representatives, however, supported extending the membership of Governing Council. Some representatives also supported the idea of a regional rotation of Governing Council meetings, as well as annual

ministerial meetings, which, in the view of one representative, would ensure ownership of UNEP's activities in the various regions. A number of representatives also welcomed the proposal regarding undertaking consultations with respect to critical environmental emergencies.

36. Several representatives stressed the importance of policy coherence and of setting clear priorities for UNEP in order to produce results, one of them stating that, while the Task Force had set priorities, there was a need to defer some of them and identify the ones which required immediate attention. Priority should be given to monitoring and assessment and freshwater. While welcoming work on the coordination of conventions, he stated that that was a low priority. There was a need to balance the work of UNEP with the work of the conventions and ensure the attainment of results. Regarding interregional and regional meetings, he said that there was a need to ensure what was expected to be achieved out of these meetings. There was also a need to link civil society in the work of UNEP. He further emphasized the need for efficiency and cost effectiveness in the implementation of activities and the need to achieve results. There was also a need to clearly identify and advise UNEP on its role in GEF.

37. On the question of the strengthening the United Nations location at Nairobi, several representatives expressed support for closer integration between UNEP and UNCHS (Habitat), while considering that the two organizations should remain separate entities. One representative, supporting the elevation of the status of the United Nations location in Nairobi to that of a United Nations Office, emphasized the need for the United Nations Office at Nairobi (UNON) to have access to funding from the United Nations regular budget. Several representatives stressed the need for adequate and predictable financial resources for both UNEP and UNCHS (Habitat). Several representatives also stressed the need to ensure the security of United Nations staff in Kenya and requested the Executive Director to further explore with the Government of Kenya means of so doing.

38. One representative stated that the restructuring process should not stop or delay implementation of the pre-agreed-upon programmes and operational activities of UNEP and UNCHS (Habitat). He further proposed that the preparatory work for the convening of meetings, particularly those held outside Kenya, should be done through the Permanent Missions in Nairobi.

39. One representative indicated that it was essential that the recommendations contained in the Nairobi Declaration should be implemented. He specifically stated that the Environment Management Group needed to be set up to mainstream environment in all agencies. He also emphasized the importance of holding ministerial meetings in the regions between Governing Council meetings, thus promoting the integration of environmental considerations at the regional level, the integration of regional priorities in UNEP's programmes and the strengthening of the UNEP regional offices.

40. A number of representatives pointed to the need for global intergovernmental cooperation and stated that it was important to coordinate the work of the conventions and enhance interaction with civil society. One of those representatives further stated that there was a need to upgrade

UNEP's scientific capacity, and its capacity to support the conventions and implement the Nairobi Declaration. He also believed that the thematic clusters for the conventions was a good approach to adopt.

41. Several representatives highlighted the implications of the Task Force report for coordination among environmental conventions, but some expressed doubts as to whether the physical co-location was the right way to proceed, rather than the pooling of experience and knowledge with respect to critical issues such as the World Trade Organization and trade-related issues, additionality, and the consolidation and the drawing on common services. Another implication was the development and implementation of activities at the regional level. He stressed the need to strengthen UNEP's regional offices and to promote their role. He commended the restructuring of UNEP which needed to remain focused and coherent thus ensuring consistency and effectiveness of its activities. He further stated that there was a need to report on the implementation of recommendations of the Commission on Sustainable Development broken down by region or even by country, to be submitted to the next session of the Governing Council.

42. Several representative thanked the Executive Director for organizing and convening the special consultation for African Ministers in Nairobi on the Kyoto Protocol and other multilateral environmental agreements and supported the proposal of having regional ministerial meetings.

43. Several representatives supported the idea of having a global forum for environmental ministers to discuss critical and emerging environmental issues, such as trade and environment as well as energy and chemicals and highlighted UNEP's role in these areas. One of those representatives further endorsed UNEP's work in the field of the early warning and environmental assessment, coordination of conventions, and freshwater. He stated that there was a need to follow-up on the recommendations of the Commission on Sustainable Development. He stated that his country had just concluded an agreement to finance a UNEP collaborating centre on freshwater. He also referred to the recently concluded Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters, which could be a useful model for other regions.

44. One representative highlighted the role of UNEP in the United Nations system and said that it was important to have the support of its members. He stressed the importance of UNEP in taking the lead role in addressing global environmental problems. He emphasized the need for UNEP to build a good working relationship with ministries of environment, the Committee of Permanent Representatives, and strengthen its support to the conventions.

45. One representative highlighted the role of UNEP in environmental conflicts.

46. One representative referred to the meeting held in Seoul on Technology and Environment and stated that his country was hosting next year in January a meeting on production and consumption patterns. He stated that UNEP should focus on areas where it had comparative advantage.

47. One representative stressed the importance of avoiding duplication of efforts particularly, in light of the recommendations of the High-level Committee and stressed the need to reduce costs, enhance productivity, efficiency and links with other United Nations organizations. He expressed his appreciation for having a subregional office in the Russian Federation and stated that there was a need to discuss the process of establishing that office.

48. The Chairman of the Commission on Sustainable Development indicated that the post-UNCED review revealed that little progress had been made to implement the recommendations of Agenda 21. He stated that there were doubts regarding the effectiveness of the Commission on Sustainable Development. He emphasized the need for adopting a transparent approach and underlined the importance of focusing on areas such as oceans, tourism, sustainable production and consumption, and support to small island developing States. Interest in the Commission at the ministerial level was fading, a phenomenon mainly attributed to how the meetings were designed in order to produce results. There was a need to adopt an action oriented approach for the implementation of the Commission's recommendations. Highlighting the need to complement UNEP's work, particularly in areas such as oceans and seas, land-based sources of marine pollution, over fishing, and tourism, he further stated that the Commission on Sustainable Development did not have the authority to direct other agencies and that there was insufficient cooperation and communication between the governing bodies of United Nations agencies and the Commission. There was also a need to see how the work of the Commission was linked or related to UNEP as well as other organizations. There was no clear division of labour between the Commission on Sustainable Development and the work of other organizations, and there was a need to clearly identify the Commission's role.

49. Following the discussion, the Executive Director thanked the representatives for their support. He stated that freshwater and conventions were a priority in UNEP. He further stated that the report on the coordination of conventions was being discussed in the General assembly and recommendations were expected to emerge from those discussions. He expressed his appreciation to the support given by Denmark to establish a collaborating centre on water in the country. UNEP was strengthening its support to the regional offices, and the posts of directors and deputy directors were currently being filled. The Executive Director further emphasized the importance of promoting links with permanent missions in Nairobi and the need for to have a preparatory committee to prepare for meetings, particularly those held outside Nairobi. He further emphasized the need for policy coherence and the setting of priorities and stated that although the financial situation in UNEP had been improving, there was a need to increase funding for UNEP.

50. The conclusions adopted by the Committee under this item are contained in paragraph 3 of annex I to the present report.

V. FINANCING SUSTAINABLE DEVELOPMENT: THE ROLE OF THE UNITED NATIONS ENVIRONMENT PROGRAMME IN THE FINANCIAL MECHANISM

51. Under this agenda item, the Committee had before it a report containing an overview of the financial mechanisms for international environmental conventions and agreements including the Global Environment Facility, the Multilateral Fund under the Montreal Protocol on Substances that Deplete the Ozone Layer, the traditional trust funds set up by the Conferences of the Parties for their respective conventions and agreements as well as the new and innovative financial mechanisms such as Activities Implemented Jointly (AIJ) and the Clean Development Mechanism of the Kyoto Protocol (UNEP/HLC/3/3).

52. Regarding the Global Environment Facility and the role of UNEP in it as an Implementing Agency, the Committee also had before it the following three documents: complementarity of the core activities of the United Nations Environment Programme and its Global Environment Facility interventions (UNEP/HLC/3/INF/3); measures initiated by the United Nations Environment Programme to mainstream the operations of the Global Environment Facility in its regular activities (UNEP/HLC/3/INF/4); and the outcome of the twelfth meeting of the Council of the Global Environment Facility of relevance to UNEP (UNEP/HLC/3/INF/5).

53. In introducing this agenda item, the Executive Director focused on the Global Environment Facility and the role of UNEP in it. He stated that pursuant to decision 19/1 and the Nairobi Declaration on the Role and Mandate of UNEP adopted by the Governing Council at its nineteenth session, significant progress has been achieved in strengthening the role of UNEP as an implementing agency of the Global Environment Facility. He indicated that the UNEP/GEF work programme had increased from $21 million during the pilot phase of GEF to more than $121 million, and the number of activities had jumped from 6 to 114. He announced that for the first time UNEP had overdelivered its planning assumptions for fiscal year 1998, despite the limited GEF administrative financial resources available to it.

54. He informed the participants that pursuant to the request addressed to UNEP by the eleventh meeting of the GEF Council, held in New Delhi in March 1998, UNEP had submitted two reports to the Council at it twelfth meeting, on the issue of complementarity and mainstreaming. The Council had requested UNEP to prepare for its thirteenth meeting, to be held in Washington, D.C., in May 1999, an action plan including clear objectives, specific measures and time frames on the issue of complementarity and additionality. The Executive Director stated that the draft action plan would be submitted for review and decision to the Governing Council at its twentieth session. The Executive Director also stated that pursuant to its mandate in GEF, as contained in the Instrument for the Restructured GEF, UNEP as an implementing agency of the Facility is mandated to assist, upon request, eligible countries in the design and implementation of national pilot and demonstration projects. He was of the view that there is a need to further clarify the concept of additionality and complementarity, taking into account the environmental mandate of UNEP and its specific role vis-à-vis the other GEF implementing agencies. He referred to the UNEP/GEF Global International Waters Assessment

as an illustration of how a project would complement the activities currently undertaken through the water component of the Global Environment and Monitoring System and would build synergy with the UNEP regional seas programmes.

55. He reaffirmed UNEP's commitment to strengthen its partnership of collaboration with the other implementing agencies and the GEF Secretariat. In this regard, he indicated that since the last GEF heads of agencies meeting, held in June 1996, which emphasized the need to strengthen inter-agency collaboration, UNEP had promoted or taken an active part in more than 15 joint GEF projects with UNDP and/or the World Bank worth more than $76 million. He also announced that the Memorandum of Understanding between UNEP and UNDP on joint collaboration in the GEF cross-cutting area of land degradation had been finalized and would be signed by the heads of the two programmes in the coming days. He also recalled that in his statement to the GEF Council at its twelfth meeting, on 14 October 1998, he had suggested a strategic partnership with the GEF Secretariat based on the following three strategic programmes: assessment, knowledge management, and global environmental outreach and public awareness. He then invited the ministers and heads of delegation to provide guidance, including in writing, on the strengthening of the role of UNEP in GEF.

56. In the ensuing discussion, one representative, speaking on behalf of the States members of a regional economic integration organization, acknowledged the role of UNEP as the trustee of the legal instruments on environmental issues that were administered by it. However, such instruments did not fall within the category of financial instruments. GEF had demonstrated its excellent performance, including in its role as the financial mechanism of the United Nations Framework Convention on Climate Change and the Convention on Biological Diversity. UNEP should not develop additional capacities in the field and the role of the GEF Implementing Agencies should be based on their respective comparative advantages. UNEP should undertake efforts to better clarify the relationship between trade and the environment taken into account the work currently undertaken by WTO. UNEP should also live up to its role as the environmental conscience of the world as spelt out in the Nairobi Declaration on the Role and Mandate of UNEP. Finally, he stated that the States upon whose behalf he was speaking looked forward to discussing the draft action plan on the complementarity and additionality of UNEP core activities with its GEF interventions to be submitted by the Executive Director to the Governing Council at its twentieth session.

57. Another representative stated that the relation between UNEP and GEF should be functional and reiterated the importance attached by his country to the establishment of good relations between the two bodies. He acknowledged that the concept of additionality was very difficult to define for UNEP taking into account its environmental mandate. UNEP had a special role to play in GEF in relation to the environmental issues arising from the GEF work programme. He indicated two directions: first, UNEP as a service organization for GEF in addition to its mandate as the organization providing the secretariat support to the Scientific and Technical Advisory Panel in areas such as early warning, monitoring and evaluation, and priority-setting in the international environmental agenda as a consequence of its growing environmental role; second, UNEP as an implementing agency of GEF was

supposed to play a role in capacity-building. He agreed with the views expressed that the role of UNEP should stop at regional level. However, UNEP could also operate at national level to assist upon request developing countries in regional and national environmental advice and institutional building. He indicated, however, that there was an overlap with the two other implementing agencies and that the role of the all three agencies was somewhat blurred. He suggested that UNEP should enter into a contractual agreement with UNDP and the World Bank with a view of developing a joint work programme. He welcomed the efforts of the Executive Director to strengthen the inter-agency collaboration with all GEF partners, including with the GEF Secretariat. In conclusion, he offered the services of his country to assist in the preparation of the draft action plan on additionality and complementarity, including the convening in Geneva of a meeting of all partners involved or any other service deemed useful.

58. One representative referred to the position of the Group of 77 and China regarding item 4 (b) on the review of the financial mechanism of the fourth meeting of the Conference of the Parties to the United Nations Framework Convention on Climate Change. He also referred to the position of his the Group regarding the status of the financial mechanism of the Convention, as well as to the modalities of GEF operations, and, in particular, its project cycle. He congratulated the Executive Director for its prompt action in seeking GEF interventions for the Indonesian forest fires.

59. Another representative congratulated UNEP for the improvement of its performance in GEF, as evidenced by the figures indicated by the Executive Director. He was of the view that UNEP has a strategic role to play in GEF that should be translated in an increase of the size of its work programme. He also believed that the GEF work programme was unbalanced in favour of the two other implementing agencies. He recalled that most of the existing environmental conventions were the result of UNEP work. Accordingly, UNEP was in the best position to coordinate their work with a view towards building synergy and complementarity. He concluded by thanking UNEP for convening the African meeting of environmental ministers as well as regional workshops for African countries on the Clean development Mechanism.

60. Another representative stated that UNEP should be an equal partner with the other two implementing agencies and, accordingly, UNEP should have a bigger role in GEF. The GEF institutional framework should be adjusted to ensure such a role, and GEF should improve and simplify its operations and procedures.

61. Another representative was of the view that UNEP should implement its mandate in GEF as spelt out in the Instrument and should not seek a bigger role. UNEP should improve the quality of its projects and strengthen its administrative capacities.

62. In his concluding remarks on GEF, the Executive Director welcomed the comments made and the guidance provided during the discussion and indicated his willingness to continue the discussion on a bilateral basis with member States, including with the European Union, regarding the clarification of the concept of additionality and complementarity. He invited the members to provide in writing their additional views on this issue. He indicated in

response to the question raised that the work programme of UNEP was only 5-6 percent of the cumulative GEF work programme. He also stated that UNEP was not seeking a bigger role in GEF and its current efforts were aimed at responding to its role as contained in the Instrument. In conclusion, he congratulated the delegation of Switzerland for its offer to assist in the preparation of the draft action plan on complementarity and additionality to be submitted to the twentieth session of the Governing Council, and he informed the participants that the draft document would be circulated to Governments by mid-January 1999.

63. The Committee's conclusions under this item are contained in paragraph 4 of annex I to the present report.

VI. CONTRIBUTION OF THE UNITED NATIONS ENVIRONMENT PROGRAMME TO THE SEVENTH SESSION OF THE COMMISSION ON SUSTAINABLE DEVELOPMENT ON, INTER ALIA, OCEANS, SMALL ISLAND DEVELOPING STATES, TOURISM AND CONSUMPTION AND PRODUCTION PATTERNS

64. Introducing agenda item 6, the Executive Director stated that he reason to have the Governing Council early in 1999 was to enable it to provide input to the seventh session of the Commission on Sustainable Development. He underlined the role of UNEP in the following areas: implementation of Programme of Action for the Sustainable Development of Small Island Developing States and oceans and seas. In also emphasizing the role of UNEP in sustainable tourism, he proposed that field visits to sustainable tourism projects in Kenya may be arranged for delegates at the next Governing Council.

65. One representative stated that oceans were crucial in the work of UNEP and expressed his appreciation of the report prepared by UNEP. However, he emphasized that there was a need to have it more focused with priorities clearly identified. He referred to the second conference on oceans in December, the purpose of which was to explore how to promote sustainable development approaches to the marine environment. He further stated that UNEP has done a great deal of work, but more needs to be done to compile a comprehensive report on marine environment. He emphasized the need to revitalize UNEP's programme on water. Referring to sustainable fisheries as being a big challenge, he stated that the stock of a number of fish species were over exploited and noted that 40 per cent of the population in Asia, 30 per cent in Africa, 20 per cent in Latin America depended largely on fish for food.

66. One representative said that the fading interest by Ministers in the Commission on Sustainable Development was due to the fact that the discussions emanating from meetings of the Commission did not have an impact. The Commission needed to link environment with social and economic issues. Currently, its discussions had no impact on the agricultural sector or on oceans because the responsible ministers did not necessarily attend its meetings. The United Nations should move the discussions on those topics to the national level.

67. Another representative welcomed UNEP's report to the Commission on Sustainable Development and noted the direction UNEP had taken needed to be consistent with its core programme.

68. Several representatives stress the importance of the UNEP regional seas programme, one of them specifically welcoming the support provided by the Regional Coordination Unit in Kingston and emphasizing that it was important for UNEP to follow up with capacity-building work in the Caribbean.

69. While several representative welcomed freshwater and oceans as a core activity for UNEP, one representative stated that sustainable tourism and production and consumption were also important areas which UNEP should give priority. He further emphasized that there was a need to properly manage natural resources.

70. One representative emphasized the need to prevent pollution from land-based sources. He further supported UNEP's work in tourism, and the need to develop capacity for sustainable tourism. He further stated that sustainable consumption and production patterns were of special importance and referred to work done by UNEP in this area and urged its continued involvement.

71. One representative, speaking on behalf of the States members of a regional economic integration organization, said that UNEP had an important role to play in the Commission on Sustainable Development. Oceans, small island developing States and the regional seas programme were important and that the States concerned were willing to share experience of the Baltic Sea with these programmes. The member States of the organization attached a great deal of importance to tourism it was one of the fastest growing sectors. They further believed that special consideration should be given to the management of natural resources. UNEP, in close collaboration with international organizations and private sector, needed to develop a code of conduct in that area. UNEP's cleaner production programme was successful and the plan to hold seminars in December on cleaner production was a welcome one.

72. Another representative, while emphasizing the priority given by UNEP to small island developing States, said that there was a need to undertake an assessment of the marine environment similar to the IPCC work on climate change. UNEP also had an important role in the work dealing with land-based sources of pollution, and there was a need to make use of the Commission on Sustainable Development to move forward.

73. One representative emphasized the important role UNEP could play in assisting in the development of sustainable development action plans. UNEP's regional offices could play an important role in stimulating interest in the development and implementation of such plans.

74. Several representatives stressed the importance of engaging civil society in UNEP's work on tourism. They also underlined the importance of UNEP's work persistent organic pollutants, which was an issue that would gain further importance. One representative underscored the role of UNEP in the Arctic and Antarctic regional agreements.

75. One representative, while congratulating UNEP on the report, underlined the importance of having concrete results. He stressed the importance of work on institution building, and adopting best practices if UNEP was to achieve better results. UNEP needed to build on the work of the Commission on Sustainable Development and to play a role in sustainable development, in particular in areas such as fresh water. There was also a need to learn from relevant experiences and to put into practice the recommendations of the Commission.

76. Another representative stated that the integration of environmental, social and economic aspects in the work of the Commission might be a way to attract interest in its work.

77. One representative suggested that the programme on small island developing States should support the Barbados Programme of Action. He further stated that it was important to reactivate the Barbados Programme in 1999 so that small island developing States could set an example for sustainable development. He further stressed the important role the Commission could play in work related to consumption and production patterns, which would have to change in the next millennium.

78. One representative referred to the statement made by Mr. Chirac, President of the French Republic, regarding reforming and strengthening UNEP to deal with global environmental problems and the need to support the work of the conventions and their coordination.

79. One representative stated that fisheries represented a biological as well as a political challenge. Small island developing States had little space, and waste disposal was a problem. The same representative also referred to the problem of waste disposal by ships and thanked UNEP for the impetus it had provided to small island developing States, particularly in the field of biodiversity and climate change.

80. One representative requested the Executive Director to provide a status report on the implementation of previously agreed programmes of UNEP and UNCHS (Habitat) in the light of the process of integrating the two organizations. In response, the Executive Director stated that he was committed to what had been decided upon by the governing bodies of UNEP and UNCHS (Habitat).

81. Two non-governmental organizations congratulated the Executive Director on his efforts to revitalize UNEP and expressed appreciation to the collaboration and support UNEP provided to their respective organizations.

82. In response to the statements made, the Executive Director said that UNEP's assessment programme had received $13M to implement activities in the area. He emphasized the priority given by UNEP to freshwater assessments and land-based sources of pollution. He stated that there was a need to revitalize GEMS and the biodiversity programme with regular assessments of biodiversity. He expressed his appreciation of the support provided to the regional seas programme, which too needed to be revitalized. He also stated that there was a need to support the Lusaka Agreement and for input by other organization to the work of the Commission on Sustainable Development.

83. The conclusions adopted by the Committee under this item are contained in paragraph 5 of annex I to the present report.

VII. OTHER MATTERS

84. Under this item, concerns were expressed by a number of representatives over the disaster in Central America resulting from Hurricane Mitch. At the same time, members of the Committee expressed appreciation for the support provided to the subregion by organizations and countries attending the fourth meeting of the Conference of the Parties to the United Nations Framework Convention on Climate Change. One representative also expressed his appreciation at the solidarity displayed by the international community in the efforts to alleviate the crisis in the subregion. He further requested UNEP to provide all the necessary support to countries of the region to deal with the crisis. Another representative stated that there was a link between El Niño and climate change and requested UNEP to allocate resources to undertake a study on the environmental impacts of the crisis. The same representative called upon GEF, UNDP and the World Bank to provide funds to rebuild effective countries in the region.

85. In response to those statements, the Executive Director stated that UNEP would certainly be willing and prepared to provide the necessary support to the Central American countries affected by Hurricane Mitch.

86. The conclusions of the Committee relating to Hurricane Mitch are contained in paragraphs 6-8 of annex I to the present report.

VIII. CLOSURE OF THE MEETING

87. After the customary exchange of courtesies, the Chairman declared the third meeting of the High-level Committee of Minsters and Officials closed at 5.20 p.m on 10 November 1998.

Annex I

CONCLUSIONS OF THE HIGH-LEVEL COMMITTEE OF MINISTERS AND OFFICIALS

AGENDA ITEM 3: IMPLEMENTATION OF THE CONCLUSIONS OF THE SECOND MEETING OF THE HIGH-LEVEL COMMITTEE OF MINISTERS AND OFFICIALS

1. The Committee took note of the statement of the Executive Director and his report contained in document UNEP/HLC/3/2 on the implementation of the conclusions of the second meeting on the status of the trust funds in support of the work of the High-level Committee of Ministers and Officials, adequate growing and predictable funding for UNEP, UNEP reform and revitalization in the context of United Nations reform and freshwater.

2. The Committee welcomed the progress by the Executive Director in implementing the conclusions reached at its second meeting. The Committee appreciated especially the announcement by the Executive Director that, in addition to his report on the status of contributions to the general trust fund, Switzerland and the United Kingdom had contributed $20,000 and $50,000, respectively.

AGENDA ITEM 4: REFORM OF THE UNITED NATIONS ENVIRONMENT PROGRAMME

3. The Committee took note of the statement made by the Executive Director and endorsed the progress made by UNEP in:

(a) Each of its following areas of concentration:

(i) Support to Africa, in particular, in its support to the Pan-African Conference on Sustainable Integrated Coastal Management, held in Maputo from 18 to 24 July 1998, and its convening of the special consultation within the framework of the African Ministerial Conference on the Environment (AMCEN), held in Nairobi from 19-23 October 1998, on the Kyoto Protocol and other multilateral environmental agreements;

(ii) Development of an emergency response capacity and strengthening of early warning and assessment functions of UNEP, including the response by UNEP to the forest fires in South-East Asia and the indication by the Executive Director that UNEP would be prepared to support in a similar fashion the countries of Central America affected by Hurricane Mitch;

(iii) Coordination and development of environmental policy instruments, including the conclusion of the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, the initiation of negotiations for an international legally binding instrument for implementing international action on certain persistent organic pollutants, the progress made in the development of a convention on the Caspian Sea, UNEP's collaboration with the World Health Organization (WHO) in the development of a protocol on water and

health to the 1992 Convention on the Protection and Use of Transboundary Watercourses and International Lakes, the initiation of a study on innovative means and mechanisms for the avoidance and settlement of environmental disputes, and the financial institutions initiative to promote the integration of environmental considerations into all aspects of the financial sector's operations and services;

(iv) Water, in respect of which the Committee noted the series of activities that UNEP had undertaken and the need expressed by the Executive Director for a comprehensive international assessment through the GEF-funded Global International Water Assessment (GIWA) project, which is also supported by Sweden and other Governments;

(v) Industry and technology transfer, including its support to the fifth International High-level Seminar on Cleaner Production, held in the Republic of Korea in September 1998;

(b) UNEP reform:

(i) Restructuring of UNEP, which should make the functioning of the organization more efficient, transparent, cost-effective and responsive to the needs of countries;

(ii) Recommendations of the United Nations Task Force on Environment and Human Settlements, in particular with respect to the establishment of an Environmental Management Group, the strengthening of the Governing Council, and the coordination of the work of convention secretariats;

(iii) Functional organizational structure (subprogrammes), which should enable the organization better to discharge its refocused role and mandate as set forth in the Nairobi Declaration and to address the priority areas endorsed by the Governing Council at its fifth special session.

AGENDA ITEM 5. FINANCING SUSTAINABLE DEVELOPMENT: THE ROLE OF THE UNITED NATIONS ENVIRONMENT PROGRAMME IN THE FINANCIAL MECHANISM

4. The Committee requested the Executive Director in consultation with the members of its Bureau to prepare a draft action plan on the complementarity and additionality of UNEP's core activities with its GEF interventions, taking into account the proposed UNEP work programme for the biennium 2000-2001. This document is to be circulated to Governments two weeks before the twentieth session of the Governing Council.

AGENDA ITEM 6. CONTRIBUTION OF THE UNITED NATIONS ENVIRONMENT PROGRAMME TO THE SEVENTH SESSION OF THE COMMISSION ON SUSTAINABLE DEVELOPMENT ON, INTER ALIA, OCEANS, SMALL ISLAND DEVELOPING STATES, TOURISM AND CONSUMPTION AND PRODUCTION PATTERNS

5. The Committee, having stressed the importance of the regional seas programme and the Global Programme of Action for the Protection of the Marine Environment from Land-based Activities as UNEP priorities, endorsed the contribution of UNEP to the seventh session of the Commission on Sustainable Development on oceans, small island developing States, tourism and consumption and production patterns.

AGENDA ITEM 7. OTHER MATTERS

6. The Committee expressed its deep sadness at the tragic loss of lives and the immense devastation caused by Hurricane Mitch in Central America, as well as its concern over the occurrence of extreme climatic events and the high vulnerability of the Central American countries to such events. It further expressed its solidarity with the people and Governments of Central America in the face of the tragedy and devastation caused by Hurricane Mitch and requested the Executive Director of UNEP and the Administrator of the United Nations Development Programme, in consultation with other relevant United Nations agencies, to jointly prepare an action plan for Central America oriented to bridge short-term relief with medium to long-term environmentally sustainable development. To such an end, the Committee agreed that the agencies should collaborate in preparing:

(a) An assessment of environmental damage;

(b) A short-term emergency strategy and financial package for addressing environmental health problems; and

(c) An environmental master plan that should include: land use management planning, integrated basin and coastal zone management, assessment and early warning, preparedness for environmental emergencies, and more efficient energy technologies.

7. The Committee further requested UNEP to mobilize scientific and technical expertise within the United Nations system, as well as within the framework of the Inter-Agency Committee of the Forum of Ministers of the Environment of Latin America and the Caribbean, in response to the environmental needs of the Central American region, taking into account the work currently undertaken through the UNEP project on the El Niño phenomenon.

8. The Committee also invited the Administrator of UNDP to reinforce the efforts of his organization to coordinate and provide technical and administrative support to the relief-to-development continuum to ensure that all agencies respond to the crisis in Central America in an integrated manner.

Annex II

STATEMENT OF THE CHAIRMAN TO THE SECOND MEETING OF THE HIGH-LEVEL COMMITTEE OF MINISTERS AND OFFICIALS

I call to order our first session of the third meeting of the High-level Committee of Ministers and Officials. My colleagues on the Bureau, Vice-Chairs: Ms. Maria-Julia Alsogaray (Argentina - Latin America and Caribbean Group), Mr. Wang Zhijia (China - Asian Group), Mr. Jan Szyszko (Poland - Eastern European Group), Rapporteur: Mr. Philippe Roch (Switzerland - Western European and Others Group) are very pleased to be in Buenos Aires for this meeting.

Our distinguished Executive Director, Dr. Klaus Töpfer, distinguished ministers and officials, ladies and gentleman, I am very happy to be in this great City of Buenos Aires for this meeting being held to coincide with the deliberations of fourth meeting of the Conference of the Parties to the United Nations Framework Convention on Climate Change. We are gratified by the warmth and hospitality of the Government and people of Argentina since our arrival. On behalf of all of us I would like to thank most sincerely Minister Alsogaray for kindly hosting this meeting and offering us the full support of her dedicated staff.

On the occasion of our second meeting, I took the opportunity to congratulate the Executive Director on his well deserved election as the head of UNEP. Today, I congratulate the Executive Director on the progress made to date in restoring confidence and elevating the stature of the United Nations Environment Programme and to assure you of the continued support of our respective Governments.

I would also like to thank all regional groups for the support extended to me and the members of the Bureau.

During the second meeting, our first substantive meeting held in March at the Headquarters of UNEP, Nairobi, we arrived at conclusions addressing, inter alia, the trust funds in support of the work of the Committee, adequate,growing and predictable funding of UNEP, UNEP reform and revitalization in the context of United Nations reform, and freshwater. The documents before us will address the status of implementation of these conclusions as undertaken by the UNEP secretariat, the role of UNEP in the financial mechanism in the context of financing sustainable development and contribution of UNEP to the seventh session of the Commission on Sustainable Development.

Let me on behalf of the Bureau thank most sincerely, the Executive Director and his staff for the excellent work done with regard to the preparations and documentation for the meeting.

During this third meeting of the Committee you have before you an agenda that is as full as it can be for this one day meeting. Much of what each

In operative paragraph (k) of decision 19/32, which established this Committee, we are required to submit reports on our work to each session of the Governing Council. Consequently, in addition to the items on the agenda time must be allotted to the consideration of the nature of the report that we will present to the twentieth session of the Governing Council to be held from 1 to 5 February 1999.

Finally, I would like to encourage you to send out positive signals of the advances made by UNEP in its revitalization process and demonstrate our active support to the Executive Director in implement UNEP's programme.

Distinguished colleagues, with these remarks it is now my honour and privilege to declare officially open this third meeting of the High-level Committee of Ministers and Officials.

Annex III

STATEMENT OF THE EXECUTIVE DIRECTOR TO THE THIRD MEETING OF THE HIGH-LEVEL COMMITTEE OF MINISTERS AND OFFICIALS,

Mr. Chairman, excellencies, distinguished delegates, ladies and gentlemen,

* It is my great pleasure and privilege to welcome you all to the third session of the High-Level Committee of Ministers and Officials.

* Mr. Chairman, may I first of all express my appreciation to you and to the members of the High-level Committee for your decision to convene this meeting in Buenos Aires today. In retrospect, your decision to hold this meeting to coincide with the deliberations of was an appropriate one. This has enabled the participation of a considerable number of the ministers of the environment in this meeting. I am so delighted to see you all here.

* You have before you the documents prepared in response to the decisions taken at your second session in Nairobi. These documents cover in particular, the role of UNEP in the financial mechanism in the context of financing sustainable development, contribution of UNEP to the seventh session of the Commission on Sustainable Development and the reform of UNEP.

* Clearly, the agenda before you is a large one. And the time available for discussion is limited. I would, therefore beg your indulgence to focus my attention on the important issue of the reform of the United Nations Environment Programme.

Mr. Chairman,

* I have divided my presentation in to two parts. First, I will describe the progress made by UNEP in each of its areas of concentration. In the second part of my presentation, I shall discuss the issue of UNEP reform.

* I am pleased to inform you that in each of the five areas of concentration that I listed during the special session of the Governing Council, there has been good progress.

* **First, support to Africa.**

(SLIDE 1)

- In July, UNEP supported and coordinated the convening of the Pan African Conference on Sustainable Integrated Coastal Management in Maputo, Mozambique. The aim of this Conference was to move the protection and sustainable management of Africa's marine and coastal environment to the centre stage of policy and decision making in the region.

- Recently, UNEP and UNCHS (Habitat) joined forces in developing a project on "Managing Water for African Cities". This project will be funded by the United Nations Fund for International Partnership for $2.2 million. It will focus on water demand in cities and reducing the impact of urbanization on freshwater resources.

- Last month, UNEP convened with German financial support a meeting of the African Ministerial Conference of the Environment. The meeting provided a unique opportunity to consult on multilateral environmental agreements, with special focus on their interlinkages. The issues covered included ozone, biodiversity, desertification and particularly climate change. The meeting enabled the African ministers to forge a common position on the flexible market mechanisms mentioned in the Kyoto protocol. African minsters expect UNEP to assist them in implementing their environmental programmes and their obligations under environmental agreements. I hope I get the necessary resources for meeting their expectations.

* **The second area of UNEP's concentration is the development of an emergency response capacity and strengthening of early warning and assessment functions of UNEP.** Here:

(SLIDE 2)

- UNEP's operational activities to implement the Global International Waters Assessment have begun. The GIWA project with a budget of $13.5 million will provide the first fully comprehensive assessment of the world's water related environmental problems. Memoranda of understanding have been signed with the University of Kalamar in Sweden and the Swedish Government. GEF will provide over $6 million for the 4 year GIWA process. We still need additional matching funds to secure full financing of the project.

- A scientific assessment of the impacts of land-based activities on the marine environment has been initiated within the framework of the Global Programme of Action for the Protection of the Marine Environment from land-based activities.

- In June, the Executive Summary of the Scientific Assessment of Ozone Depletion 1998 was released by UNEP and the World Meteorological Organization (WMO). The Executive Summary confirms the effectiveness of the Montreal Protocol on Substances that Deplete the Ozone Layer.

- UNEP and the Government of Georgia signed an agreement to establish an environmental data centre in Tblisi, Georgia to complement the UNEP network of Global Resource Information Database (GRID). Grid-Tblisi will support UNEP's environmental data and information needs to improve assessment of the global environment.

- A revised Memorandum of Understanding was signed between the Government of the United States and UNEP concerning GRID-Sioux Falls. Support from government agencies was expanded to include the US Geological Survey (USGS), National Aeronautics and Space Administration (NASA), US Environmental Protection Agency (EPA) and the US Forest Service.

- In April, a project on emergency response to combat forest fires in South East Asia was developed by UNEP and approved by GEF. UNEP is implementing this $750,000 project. The project provides support to the coordination of existing efforts, the design and establishment of a fires early warning system for South East Asia, and public awareness. These activities are being implemented in close collaboration with ASEAN.

- UNEP has joined FAO in raising the issue of forest fires with the Intergovernmental Forum on Forests (IFF) and the Inter-Agency Task Force on Forests (ITFF). As a result, the members of ITFF agreed to develop a $2.5 million joint project concept which has been submitted to the United Nations Fund for International Partnership for funding.

- UNEP is finalizing the details for joint UNEP/UNCHS (Habitat) fact-finding missions to China, India and Bangladesh. The missions will focus on the causes and possible mitigation of the pollution of ground water resources in Bangladesh and Western India. It will also study the causes and possible mitigation of flooding in China. These missions are not development-financing projects. They are meant to enhance understanding of the environmental dimensions which would help appropriate development agencies in planning their activities.

* **The third area of concentration for UNEP is the coordination and development of environmental policy instruments.** In this area, UNEP has many substantial achievements to report.

(SLIDE 3)

- The Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides was adopted on 10 September 1998 at Rotterdam. About 60 States and the European Community have signed the Convention. I hope the Convention will come into effect very soon.

- Negotiations of an International Legally Binding Instrument for Implementing International Action on Certain Persistent Organic Pollutants have begun. The first session of the intergovernmental Negotiating Committee for the instrument was held in Montreal on 29 June. We plan to hold the second session in Nairobi in end January 1999.

- Considerable progress has been made in the development of the Caspian Sea Convention with UNEP legal and administrative assistance to the Governments. An Intergovernmental Meeting was held in Moscow to consider the draft text of the convention, prepared with UNEP assistance.

- UNEP is collaborating with the Economic Commission for Europe and WHO Regional Office for Europe, in the development of a **Protocol on Water and Health** to the 1992 Convention on the Protection and Use of Transboundary Watercourses and International Lakes. The draft Protocol is expected to be submitted, for adoption to a Ministerial Conference on Environment and Health to be held in London in 1999.

- UNEP has initiated a study on innovative means and mechanisms for environmental dispute avoidance and settlement. The first and second meetings of the international group of experts were held in Vienna and London in July and September 1998, respectively.

- In September, UNEP hosted its fourth International Roundtable Meeting on Finance and the Environment in Cambridge. This initiative: the "Financial Institutions Initiative", promotes the integration of environmental considerations into all aspects of the financial sector's operations and services.

- A Workshop on Harmonization of Information Management of Biodiversity-related Conventions was held in April 1998. It was attended by representatives of the secretariats of the biodiversity-related conventions. The workshop reviewed recommendations on harmonization opportunities developed through consultation with individual secretariats.

- UNEP has launched the Interlinkages Assessment Report entitled "Protecting Our Planet - Securing our Future: Links among Global Environmental Issues and Human Needs" at this meeting.

- UNEP is implementing the UNEP/GEF pilot biosafety enabling activity project as a follow-up to Governing Council decision 19/16, on biosafety. The project consists of a national level component worth $1,979,000 entailing the preparation of national biosafety frameworks by 18 countries. A composite synthesis report of the project is under way. This report will provide the GEF, countries, organizations and the civil society with a much clearer understanding of the kinds of assistance countries might need to address biosafety issues and future implementation of biosafety agreements.

* **The fourth area of UNEP's concentration is water.** Here:

(SLIDE 4)

- The United Nations foundation has approved a project jointly prepared with UNCHS. The project focuses on (i) water demand management in ten African cities, and (ii) environmental impacts of urbanization on water resources in four river basins. The starting phase of project will begin during the 1st quarter of 1999.

- UNEP has finalized a series of regional technology "sourcebooks", in cooperation with its International Environment Technology Centre (IETC). These documents identify and assess local and indigenous technologies for augmentation of freshwater resources that can provide alternatives for the traditional "high-tech" technologies often provided to developing countries.

* **The fifth area of our concentration is industry and technology transfer.**

(SLIDE 5)

- UNEP supported the Fifth International "High-level Seminar on Cleaner Production" in South Korea in September. The meeting launched the International Declaration on Cleaner Production - signed by 13 ministers and 13 business corporations. The signatories committed themselves to adopting a preventive strategy and environmental performance targets and reporting on their achievements.

Mr. Chairman,

* This meeting provides a useful opportunity to take stock of UNEP's progress so far. Also, the twentieth session of UNEP's Governing Council will chart UNEP's course into the next century. Preparations for this meeting are now in full swing.

* But the real significance of UNEP's twentieth Governing Council goes far beyond getting our programmes right. It will mark the start of a new phase in the process of UNEP's reform. It is my hope that this meeting of UNEP's Governing Council will provide me with additional guidance on ensuring how best UNEP's organizational structure enables the organization to address the full range of its refocused mandate.

* I had introduced a new organizational structure for the UNEP secretariat during the special session of the Governing Council in May. We have almost completed the restructuring process. We have also developed the programme budget for the next biennium, 2000-2001.

* The restructuring of UNEP follows the guidance of the Secretary-General's report on United Nations reform, the report of the United Nations Task Force on Environment and Human Settlements, the Nairobi Declaration on the Role and Mandate of UNEP, and the policy guidance of the fifth special session.

* The report of the Task Force that you will be considering is the result of the hard work put in by many distinguished individuals from around the world. I am gratified by the positive response that its recommendations have received. I am also grateful for the whole hearted support to the report from the Secretary-General. The United Nations General Assembly discussions on the report will start on 18 November. I trust your governments will support the major recommendations in the report.

* The recommendations contained in this report do not constitute a non-negotiable package. Some proposals still require some fine tuning. Other proposals may have to be postponed. And some others may require consideration by other relevant international bodies. But the centre-piece, the leit motiv of the recommendations of the report is integration, of providing a coherent response to the global environmental challenges.

* UNEP's restructuring is a strategic response to the changing institutional, programmatic and budgetary conditions. It is not a reactive or a mechanical gesture, or a public relations exercise. We want our shareholders, partners and constituents to know that we are making every effort to be focused on our mandate, to respond better to countries' needs, and to be cost-effective.

* The functions of: environmental assessment and early warning; environmental policy development; environmental policy implementation; building mutual support among conventions; and regional cooperation and representation, and Communications and Public Information are fundamental to our leadership role in international environmental cooperation. Our work programme and budgetary allocation have to show clearly, to ourselves and to the rest of the world, how we plan to fulfil our main functions.

* For the functional organization to be effective, our programme staff have to be not only top experts technically. They must also be experts at recognizing and building on connections between different environmental issues, between environmental issues and development issues, and between environmental science and policy. It is through such an integrated and well-balanced approach that UNEP's programme design and delivery will become more effective and efficient.

* Let me now outline in broad terms the essence of each of the five functional subprogrammes, by way of rationale and thrust.

In the assessment and early warning subprogramme, the proposed focus is on:

(SLIDE 6)

- Promoting availability of and enhancing access to the scientific information needed By decision makers for better environmental management.

- Assessing environmental conditions and threats to alert policymakers, and to facilitate the development of impact reduction strategies.

- Devising strategies and contributing to early warning to better cope with environmental threats. And

- Identifying emerging issues.

* The subprogramme's environmental assessments have to be scientifically rigorous. They need to make focused inputs to the fulfilment of UNEP's other functions. They should also lay the groundwork for action for better environmental management practices, and to help prevent and mitigate environmental disasters.

* The proposed focus of the Policy Development subprogramme will be on:

(SLIDE 7)

- Analysis, review and development of environment-related policies, and articulation of policy positions in response to emerging environmental issues and events.

- Development of new and strengthening of existing legal, economic and other policy instruments and institutional frameworks to make environmental policy more effective.

- Enhancing environmental policy coordination and information exchange within and outside of the United Nations system; and

- Promoting the involvement of the private sector, NGOs, and major interest groups in environmental policy dialogue and development.

* UNEP has exercised a leadership role in the development of international environmental law, and it will continue to do so. The subprogramme will make available analysis and information on environmental policies and their linkages to sectoral, social and economic development policies, and develop policy positions and responses.

* The Council recognized at its last special session that UNEP needs to play, in partnership with others, an effective role in promoting environmental policy implementation. We have to redress the widening gap between agreed environmental policy and its implementation.

* In part, this has to do with how, in the first place, we develop the policy. It is vital that policy is based on scientific facts. But it also needs to be sensitive to social and economic conditions, and the realities of international economic cooperation. To effectively implement environmental policy, it is essential that the root causes of the concerned problem are addressed at their source, e.g. in agriculture, industry, transport, energy, health, human settlements, trade, tourism. Successful implementation of environmental policy depends on partnerships with the private sector, interest groups, and the development community. Successful policy implementation also requires finance, technical skills, expertise, institutions, information and incentives.

* The policy implementation subprogramme, in conjunction with the Policy Development subprogramme, will:

(SLIDE 8)

- Provide information and advice, and promote training, exchange of experience, education and institution-building.

* We have an ongoing project in this field, financed by Dutch bilateral aid, and implemented in partnership with UNDP. We will, inter alia, draw on its experience, and develop a coherent, and balanced programme to better respond to countries' diverse needs in environmental policy implementation.

* Our regional cooperation and representation work will focus on:

(SLIDE 9)

- Making programme development and delivery more responsive to the needs of countries and regions.

- Assessing and sensing environmental trends, needs and policies in the regions;

- Facilitating policy dialogue and consensus among countries of the regions;

- Catalysing regional contributions to and involvement in programme development and implementation;

- Developing and implementing national, subregional and regional programme activities.

- Providing information on and presenting UNEP's policies, positions and programme in the regions.

- Building partnerships with national, subregional and regional institutions active in the environmental field.

The Programme on Environmental Conventions is developed in line with the Report the United Nations Task Force on Environment and Human Settlements, and the General Assembly resolution on the Programme for the Further Implementation of Agenda 21. Its raison d'etre is the development of coherent interlinkages among relevant environmental conventions, in cooperation with their respective conferences of the parties, or governing bodies, and the promotion of their effective implementation, consistent with their provisions and the decisions of the conferences of the parties.

The Conventions subprogramme focuses on:

(SLIDE 10)

- Promoting the development of complementary policies and approaches among the work programmes of related global and regional environmental conventions and processes;

- Supporting, in conjunction with Policy Development, the development of new international conventions and agreements, including protocols; and

- Coordination of UNEP's programmatic support to conventions and related international agreements and processes, particularly focusing on programmatic interlinkages.

* By helping establish synergy and mutual support between the programmes of the conventions and by streamlining UNEP's support to them while focusing on filling strategic gaps and adding value, the Conventions subprogramme will render a valuable service to the conventions, and promote their effective implementation. It will also render a valuable service to the conventions' subsidiary scientific bodies. It will streamline and rationalize their work, taking into account their interlinkages. Finally country parties of the conventions will benefit from the subprogramme's work, since it will provide them with insights and ideas on promising means of streamlining and rationalizing the implementation of conventions.

SLIDE 11

* **UNEP's Communications and Public Information subprogramme** will encompass:

- the functions of the official spokesperson in relation to the mass media.

- Organization of official communications and public information activities and campaigns. And

- Management of UNEP's official publications and reports.

SLIDE 12

* The organization structure shows separately, from the five functional subprogrammes, the subprogramme comprising of: industry, technology, chemicals, economics and trade. It encompasses the five main functions that UNEP performs in the concerned subject areas. Its implementation will be carried out in conjunction with that of the other subprogrammes.

* The functional restructuring of the secretariat and the programme budget for 2000-2001 will help allocate UNEP's resources and staff strategically, and to maximum effect, in the five areas of concentration.

* At its twentieth session, the Council will receive a programme budget presented along the lines of UNEP's priority functions. This is a first for UNEP.

* It is a departure from traditional form and practice, since it does not directly highlight allocations by major environmental issues such as: freshwater, oceans, biodiversity, land degradation, forests, health, and so on.

* Yet, it is in conformity with the organization structure we have embarked on, in the interest of focus, efficiency and effectiveness. The new form of presentation and organization does not imply that any of the major environmental issue will receive less attention in the Programme. Indeed they will receive full and focused attention. Even as the areas of concentration will receive priority in the proposed Budget, the integrity, balance and flexibility of the Programme will also be nurtured. Within the available resources, all major environmental issue areas will receive the attention they need. That attention, however, will be strategically oriented, and concentrated on the fulfilment of UNEP's role.

Mr. Chairman,

* As the last 25 years have demonstrated, this organization has added a whole new dimension to cooperation among nations in the field of environmental protection. No lesser body could have achieved so much. In the longer perspective of history, it will be the dramatic development of international environmental law and the evolution of collective approaches to the definition of security: economic and environmental, which will define our era. In other words: the work of the United Nations Environment Programme.

* I wish you a very productive conference.

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Annex IV

LIST OF DOCUMENTS BEFORE THE THIRD MEETING OF THE HIGH-LEVEL COMMITTEE OF MINISTERS AND OFFICIALS

Symbol	Title
UNEP/HLC/3/1	Provisional agenda
UNEP/HLC/3/1/Add.1	Annotated provisional agenda
UNEP/HLC/3/2	Implementation of the conclusions of the second meeting of the High-level Committee of Ministers and Officials
UNEP/HLC/3/3	Financing sustainable development: the role of the United Nations Programme in the financial mechanism
UNEP/HLC/3/4	Contribution of the United Nations Environment Programme to the seventh session of the Commission on Sustainable Development, on, inter alia, oceans, small island developing States, tourism and consumption and production patterns
UNEP/HLC/3/INF/1	Report of the United Nations Task Force on Environment and Human Settlements to the Secretary-General
UNEP/HLC/3/INF/2	Report of the United Nations Task Force on Environment and Human Settlements to the Secretary-General: summary
UNEP/HLC/3/INF/3	Complementarity of the core activities of the United Nations Environment Programme and its Global Environment Facility interventions
UNEP/HLC/3/INF/4	Measures initiated by the United Nations Environment Programme to mainstream Global Environment Facility operations in its regular activities
UNEP/HLC/3/INF/5	Outcome of the twelfth meeting of the Council of the Global Environment Facility of relevance to UNEP